

Senate File 2250 - Enrolled

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SENATE FILE 2250

AN ACT

RELATING TO THE LICENSURE OF REAL ESTATE BROKERS AND SALESPERSONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 543B.15, subsection 3, paragraph a, subparagraph (2), Code Supplement 2007, is amended to read as follows:

(2) Notwithstanding subparagraph (1), for offenses including or involving forgery, embezzlement, obtaining money under false pretenses, theft, arson, extortion, conspiracy to defraud, or other similar offense, any offense involving moral turpitude, or other offense involving a criminal breach of fiduciary duty, five years.

Sec. 2. Section 543B.15, subsection 10, Code Supplement 2007, is amended to read as follows:

10. An applicant for an initial real estate broker's or salesperson's license shall be subject to a national criminal history check through the federal bureau of investigation. The commission shall request the criminal history check and shall provide the applicant's fingerprints to the department of public safety for submission through the state criminal history repository to the federal bureau of investigation. The applicant shall authorize release of the results of the criminal history check to the real estate commission. The applicant shall pay the actual cost of the fingerprinting and criminal history check, if any. Unless the criminal history check was completed within the ninety two hundred ten calendar days prior to the date the license application is received by the real estate commission, the commission shall reject and return the application to the applicant. The commission shall process the application but hold delivery of the license until the background check is complete. The results of a criminal

history check conducted pursuant to this subsection shall not be considered a public record under chapter 22.

Sec. 3. Section 543B.29, Code 2007, is amended to read as follows:

543B.29 REVOCATION OR SUSPENSION.

1. A license to practice the profession of real estate broker and salesperson may be revoked or suspended when the licensee is guilty of any of the following acts or offenses:

~~1-~~ a. Fraud in procuring a license.

~~2-~~ b. Professional incompetency.

~~3-~~ c. Knowingly making misleading, deceptive, untrue, or fraudulent representations in the practice of the profession or engaging in unethical conduct or practice harmful or detrimental to the public. Proof of actual injury need not be established.

~~4-~~ d. Habitual intoxication or addiction to the use of drugs.

~~5-~~ e. Conviction of an offense included in section 543B.15, subsection 3. For purposes of this section, "conviction" means a conviction for an indictable offense and includes a guilty plea, deferred judgment from the time of entry of the deferred judgment until the time the defendant is discharged by the court without entry of judgment, or other finding of guilt by a court of competent jurisdiction. A copy of the record of conviction, guilty plea, deferred judgment, or other finding of guilt is conclusive evidence.

~~6-~~ f. Fraud in representations as to skill or ability.

~~7-~~ g. Use of untruthful or improbable statements in advertisements.

~~8-~~ h. Willful or repeated violations of the provisions of this ~~Act~~ chapter.

~~9-~~ i. Noncompliance with insurance requirements under section 543B.47.

~~10-~~ j. Noncompliance with the trust account requirements under section 543B.46.

~~11-~~ k. Revocation of any professional license held by the licensee in this or any other jurisdiction.

3 4 2. The revocation of a broker's license shall
3 5 automatically suspend every license granted to any person by
3 6 virtue of the person's employment by the broker whose license
3 7 has been revoked, pending a change of employer and the
3 8 issuance of a new license. The new license shall be issued
3 9 upon payment of a fee in an amount determined by the
3 10 commission based upon the administrative costs involved, if
3 11 granted during the same license period in which the original
3 12 license was granted.

3 13 3. A real estate broker or salesperson who is an owner or
3 14 lessor of property or an employee of an owner or lessor may
3 15 have the broker's or salesperson's license revoked or
3 16 suspended for violations of this section or section 543B.34,
3 17 except subsections 4, 5, 6 and 9, with respect to that
3 18 property.

3 19 4. A real estate broker's or salesperson's license shall
3 20 be revoked following three violations of this section or
3 21 section 543B.34 within a three-year period.

3 22 Sec. 4. Section 543B.54, subsection 2, Code Supplement
3 23 2007, is amended to read as follows:

3 24 2. Twenty-five dollars per license from fees deposited for
3 25 each real estate salesperson's license and each broker's
3 26 license shall be distributed and are appropriated to the real
3 27 estate commission for the purpose of establishing and
3 28 maintaining a program to provide grants to community colleges
3 29 and other colleges and universities in the state providing
3 30 programs under this section and using the curriculum
3 31 maintained by the commission. Grants shall be awarded by a
3 32 grant committee established by the real estate commission.
3 33 The committee shall consist of seven members: two members of
3 34 the commission, four members ~~of~~ appointed by the Iowa
3 35 association of realtors, and one member of the general public.
4 1 The commission shall promulgate rules, in consultation with
4 2 the Iowa association of realtors, relating to the organization
4 3 and operation of the committee, which shall include the term
4 4 of membership, and establishing standards for awarding grants.
4 5 The members of the committee may be reimbursed for actual and
4 6 necessary expenses incurred in the performance of their duties
4 7 but shall not receive a per diem payment.

4 8 Sec. 5. Section 543B.60A, subsection 6, Code Supplement
4 9 2007, is amended to read as follows:

4 10 6. A violation of this section is deemed a violation of
4 11 section 543B.29, subsection 3 1. paragraph "c".
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JOHN P. KIBBIE
President of the Senate

PATRICK J. MURPHY
Speaker of the House

4 23 I hereby certify that this bill originated in the Senate and
4 24 is known as Senate File 2250, Eighty-second General Assembly.
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MICHAEL E. MARSHALL
Secretary of the Senate

4 30 Approved _____, 2008
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4 34 CHESTER J. CULVER
4 35 Governor